

Nathan Ochsner, Clerk

¹ The Post-Effective Date Debtors, along with the last four digits of each Post-Effective Date Debtor's federal tax identification number, as applicable, are: Fieldwood Energy III LLC (6778); Fieldwood Energy Offshore LLC (4494), Fieldwood Energy Inc. (4991), GOM Shelf LLC (8107), and FW GOM Pipeline, Inc. (8440). Fieldwood Energy III LLC, Fieldwood Energy Offshore LLC, and Fieldwood Energy Inc. are managed and operated by the Plan Administrator, whose primary mailing address is 16255 Ventura Blvd., Suite 440, Encino, CA, 91436, C/O of Province LLC. GOM Shelf LLC and FW GOM Pipeline, Inc. (collectively, the "**Post-Effective Date FWE I Subsidiaries**") are managed and operated by Jon Graham, as sole manager of each Post-Effective Date FWE I Subsidiary. The Debtors in the other nine pending chapter 11 cases (which continue to be jointly administered with the cases of the Post-Effective Date Debtors), each of which have either been dissolved or merged into other entities as of the Effective Date, consist of the following: Dynamic Offshore Resources NS, LLC (0158); Fieldwood Onshore LLC (3489); Fieldwood SD Offshore LLC (8786); Fieldwood Offshore LLC (2930); Bandon Oil and Gas GP, LLC (9172); Bandon Oil and Gas, LP (9266); Fieldwood Energy SP LLC (1971); Galveston Bay Pipeline LLC (5703); and Galveston Bay Processing LLC (0422).

STIPULATION AND ORDER DISMISSING ADVERSARY PROCEEDING

Pursuant to Rule 7041 of the Federal Rules of Bankruptcy Procedure and Rule 41 of the Federal Rules of Civil Procedure, Plaintiffs Fieldwood Energy III, LLC² (“**Fieldwood**”), Fieldwood Energy Offshore LLC, Fieldwood Energy Inc., GOM Shelf LLC, and FW GOM Pipeline, Inc. (collectively, the “**Post-Effective Date Debtors**”) and Defendants Everest Reinsurance Company (“**Everest**”), Philadelphia Indemnity Insurance Company (“**Philadelphia**”), and HCC International Insurance Company PLC (“**HCCI**” and, together with Everest and Philadelphia, the “**Surety Defendants**), as well as Apache Corporation (“**Apache**”), Apache Shelf, Inc., Apache Deepwater LLC, and Apache Shelf Exploration LLC (collectively, the “**Apache Defendants**,” and together with the Post-Effective Date Debtors and the Surety Defendants, the “**Litigation Parties**”) hereby file this joint stipulation of dismissal with prejudice of Adversary Proceeding Case No. 21-03418 (the “**Adversary Proceeding**”) and hereby stipulate as follows:

WHEREAS, on June 25, 2021, the United States Bankruptcy Court for the Southern District of Texas (the “**Bankruptcy Court**”) entered the *Findings of Fact, Conclusions of Law, and Order (I) Confirming Eighth Amended Joint Chapter 11 Plan of Fieldwood Energy LLC and Its Affiliated Debtors and (II) Granting Related Relief* [Bankr. Ct. Docket No. 1751] (the “**Confirmation Order**”), confirming the *Eighth Amended Joint Chapter 11 Plan of Fieldwood Energy LLC and Its Affiliated Debtors* [Bankr. Ct. Docket No. 1742] (including any exhibits and schedules thereto and as may be further amended, supplemented, or modified, including at Bankr. Ct. Docket No. 2008, the “**Plan**”).³

² As contemplated by the Plan, Fieldwood Energy LLC changed its name to Fieldwood Energy III LLC following a Divisive Merger pursuant to the Initial Plan of Merger.

³ Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Plan.

WHEREAS, pursuant to the term sheet between the Debtors, the Apache Defendants, and Zurich American Insurance Company⁴ (“**Zurich**” and, together with the Surety Defendants, the “**Apache Sureties**”), annexed as **Exhibit B** to the Confirmation Order (the “**Apache-Surety Term Sheet**”), the Debtors, the Apache Defendants, and the Apache Sureties (together, the “**Settling Parties**”) agreed (i) to stipulate that as of the Effective Date, all claims against the Debtors and Apache, including those asserted by the Surety Defendants and described in the Debtors’ *Adversary Complaint for Declaratory Judgment* filed at Docket No. 1 (the “**Complaint**”) shall be released and (ii) the Adversary Proceeding shall be dismissed with prejudice.

WHEREAS, on August 27, 2021, the Settling Parties executed that certain *Subrogation, Subordination, and Payment Agreement* (the “**SSPA**”), pursuant to which the Settling Parties memorialized the terms of the Apache-Surety Term Sheet and agreed, among other things, that (i) except as specifically provided for in the SSPA and in the Confirmation Order, all claims of the Apache Sureties against the Debtors and Apache Defendants shall be released as of the Effective Date and (ii) the Adversary Proceeding shall be dismissed with prejudice and that an agreed order effectuating the same shall be filed with the Bankruptcy Court.

WHEREAS, on August 27, 2021, the Effective Date of the Plan occurred [Bankr. Ct. Docket No. 2016], thereby releasing all claims of the Apache Sureties against the Debtors and the Apache Defendants as of the Effective Date except as specifically provided for in the SSPA and in the Confirmation Order.

⁴ Zurich is a party to the SSPA and the Apache Surety Term Sheet, but Zurich was not named as a party to this Adversary Proceeding and nothing in this Stipulation is intended to imply that it was a party to the Adversary Proceeding.

WHEREAS the Litigation Parties hereby stipulate to the dismissal of the Adversary Proceeding pursuant to the SSPA with prejudice pursuant to Rule 41(a)(1)(A)(ii) of the Federal Rules of Civil Procedure.

WHEREAS the Litigation Parties hereby withdraw from the Court's consideration all pending motions and responses in the Adversary Proceeding.

WHEREAS the Litigation Parties hereby stipulate and agree that the dismissal of the Adversary Proceeding shall not alter or affect the rights of any Party under the SSPA or the Confirmation Order, which documents speak for themselves.

NOW, THEREFORE, IT IS STIPULATED, AGREED, AND ORDERED as follows:

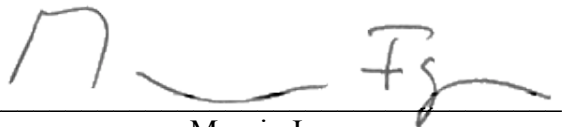
1. Pursuant to the terms of the SSPA, the Adversary Proceeding is dismissed with prejudice pursuant to Rule 7041 of the Federal Rules of Bankruptcy Procedure and Rule 41 of the Federal Rules of Civil Procedure, and all pending motions in the Adversary Proceeding are hereby withdrawn and denied as moot. The Parties are to bear their own costs and expenses.

2. The undersigned who executes this Stipulation by or on behalf of the respective Litigation Party represents and warrants that he or she has been duly authorized and empowered to execute and deliver this Stipulation on behalf of such Litigation Party.

3. This Stipulation shall not be modified, altered, amended or vacated without the written consent of all of the Litigation Parties or by further order of the Court.

4. The Court retains jurisdiction to resolve any disputes or controversies arising from this Stipulation.

Signed: August 18, 2022


Marvin Isgur
United States Bankruptcy Judge

IN WITNESS WHEREOF, this Stipulation has been executed and delivered as of the day and year first below written.

Dated: August 17, 2022

By: Robin Russell

HUNTON ANDREWS KURTH LLP
Robin Russell
Texas Bar No. 17424001
Michael D. Morfey
Texas Bar No. 24007704
Catherine A. Diktaban
Texas Bar No. 24109810
600 Travis Street, Suite 4200
Houston, Texas 77002
Tel: (713) 220-4200
Fax: (713) 220-4285
Email: rrussell@huntonak.com
michaelmorfey@huntonak.com
cdiktaban@huntonak.com

Counsel for Apache Corporation, Apache Shelf, Inc., Apache Deepwater LLC, and Apache Shelf Exploration LLC

By: Randall A. Rios

HUSCH BLACKWELL LLP
Randall A. Rios
Texas Bar No. 16935865
Timothy A. Million
Texas Bar No. 24051055
600 Travis, Suite 2350
Houston, Texas 77002
Tel: (713) 525-6226
Fax: (713) 647-6884
Email: randy.rios@huschblackwell.com
tim.million@huschblackwell.com

Co-Counsel for Everest Reinsurance Company

Dated: August 17, 2022

By: Jessica Liou

WEIL, GOTSHAL & MANGES LLP
Alfredo R. Pérez
Texas Bar No. 15776275
700 Louisiana Street, Suite 1700
Houston, TX 77002
Tel: (713) 546-5040
Fax: (713) 224-9511
Email: Alfredo.Perez@weil.com

-and-

WEIL, GOTSHAL & MANGES LLP
Matthew S. Barr (admitted *pro hac vice*)
Jessica Liou (admitted *pro hac vice*)
767 Fifth Avenue
New York, New York 10153
Tel: (212) 310-8000
Fax: (212) 310-8007
Email: Matt.Barr@weil.com
Jessica.Liou@weil.com

Attorneys for the Plan Administrator and certain Post-Effective Date Debtors

-and-

Daren Grzyb, Esq. (admitted *pro hac vice*)
(dgrzyb@csglaw.com)
Chisea Shahinian & Giantomasi PC
One Boland Drive
West Orange, New Jersey 07052

Attorneys for Everest Reinsurance Company

By: Michael E. Collins

MANIER & HEROD, P.C.
Michael E. Collins
Texas Bar No. 24029006
1201 Demonbreun St., Suite 900
Nashville, TN 37203
Tel: (615) 742-9350
Fax: (615) 242-4203
Email: mcollins@manierherod.com

*Attorneys for Philadelphia Indemnity
Insurance Company*

By: Philip G. Eisenberg

LOCKE LORD LLP
Philip G. Eisenberg
Texas Bar No. 24033923
Elizabeth Guffy
Texas Bar No. 8592525
Simon Mayer
Texas Bar No. 24060243
600 Travis Street, Suite 2800
Houston, TX 77002
Tel: (713) 226-1200
Fax: (713) 223-3717
Email: peisenberg@lockelord.com
eguffy@lockelord.com
simon.mayer@lockelord.com

-and-

LOCKE LORD LLP
Omer F. Kuebel, III
Federal Bar No. 32595
Bradley C. Knapp
Texas Bar No. 24060101
601 Poydras St., Suite 2660
New Orleans, Louisiana 70130
Tel: (504) 558-5210
Fax: (504) 558-5200
Email: rkuebel@lockelord.com
bknapp@lockelord.com

*Attorneys for HCC International Insurance
Company Plc*